India's exports to China

2320. SHRI B.K. HARIPRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether despite India's exports to China galloping high almost every quarter, significantly a large portion of exports comprises of only four basic items like iron ore, slag, coal ash and steel;

(b) whether in view of price realisation being much less on these primary material, India would attempt to export such commodities with value addition; and

(c) whether, on the contrary, Chinese imports into India comprises of value-added items like mobile communication gadgets, radio telephone handsets, DVD/VCD players etc.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) Major items of exports from India to China are diverse and *inter alia* include iron ore, primary & semi-finished iron and steel, and value added items which include plastic & linoleum products, processed minerals & chemicals, drugs & pharmaceuticals and marine products etc. Chinese imports into India comprise electronic goods, organic chemicals, pharmaceutical products etc.

National design policy

2321. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to formulate a National Design Policy to make India a designer hub in the world;

(b) whether any study has been conducted about the potential that India has to offer to MNCs and overseas clients;

(c) whether any consultations/meetings with the stake-holders have been held in this regard; and

(d) if so, what is the outcome of the consultations/meetings?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (d) Government has initiated an exercise with the intention of formulating a National Design Policy in consultation with various stakeholders. Accordingly, Interactive

Sessions have been held with academia, industry and designers and this would help in formulation of the Design Policy.

Non-utilisation of installed capacity of Sesame Oilseed Industry

†2322. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the installed capacity of seasame oilseed industry is not being utilised fully in the country;

(b) if so, the percentage utilisation of the installed capacity during the years 2001-02, 2002-03, 2003-04 and till the month of December 2004-05;

(c) the reasons for not utilising the installed capacity; and

(d) the estimated effect on the cost of production due to not utilising the installed capacity fully?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Consequent upon delicensing of the vegetable oil sector, no precise data about oilseed (including sesame seed) crushing capacity is available. The estimated annual crushing capacity of oilseeds is 425 lakh tonnes. The existing crushing capacity is far in excess of the availability of raw material and the average percentage of capacity utilization is around 30.

(c) Some of the reasons attributable to the unsatisfactory capacity utilization of the vegetable oil industry are:

- Unrestricted growth of the industry following de-licensing of the vegetable oil industry.
- Creation of capacity totally incommensurate with availability of raw materials.
- Obsolete technology.
- Very low margin because of stiff competition, inefficent Operation etc.
- Speculative nature of the trade.

(d) The cost of production depends on various factors including under utilization of installed capacity. However, no data is available on the effect of non-utilization of the installed capacity on cost of production.

†Original notice of the question was received in Hindi.